



Financial Policy

Purpose and Scope

The purpose of these policies is to establish guidelines for developing financial goals and objectives, making financial decisions, reporting the financial status of Linlithgow Rugby Club Ltd, and managing the Company's funds.

These policies provide details of Linlithgow Rugby Club's overall financial policy and is not designed to enable the user to perform the procedures in detail. These detailed procedures are documented separately.

The policies outlined in these documents cover all staff, Club Members and volunteers.

Roles and Responsibilities

The Club Board of Directors (from now on referred to as the Board) has overall responsibility for the collective budget and financial management of the Rugby Club. It is the role of the Board to:

- keep accounting records to explain all transactions and show the Company's financial position,
- approve the annual budget,
- review the reserves policy and manage the level of reserves held,
- formally approve the financial statements of Linlithgow Rugby Club,
- ensure that annual accounts are subjected to any external scrutiny required by current legislation or by the Club's Articles of Association,
- safeguard the assets of the Club and ensuring proper application of resources,
- take appropriate steps for the prevention and detection of bribery, fraud, financial abuse and other irregularities.

The Board delegates the operational oversight of the Club finance to the Director of Finance. To assist the other members of the Board meet their obligations the Director of Finance will provide a quarterly financial report including the following:

- the latest management accounts,
- a comparison of budget to actual figures,
- details of cash flow and closing bank balances.

The report will normally be issued in advance of each quarterly Board meeting. The meeting should set aside a specific time within the agenda for discussion of financial matters and to allow any issues of concern to be raised.

Each Director who holds a budget has responsibility for their area's financial performance confirming to the Board reason for budget variances and ensuring that the financial procedures are followed.

Conflicts of Interest

All staff, volunteers, members and Directors of Linlithgow Rugby Club will strive to avoid any conflict of interest between the interests of the Company on the one hand, and personal, professional, and business interests on the other. This includes avoiding actual conflicts of interest as well as the perception of conflicts of interest.

In the course of meetings or activities, Board members will disclose any interests in a transaction or decision where there may be a conflict between the organisations best interests and the committee members best interests or a conflict between the best interests of two organisations that the Board member is involved with.

After disclosure, the Board member will not be able to take part in the decision and may be asked to leave the room depending on the judgement of the other Board members present at the time.

Reporting

The year-end date for Linlithgow Rugby Club is the 30th April. It is the responsibility of the Director of Finance to prepare the accounts for presentation and review by the membership at the Annual General Meeting.

There is no legal requirement for the Company accounts to be subject to a statutory audit. In line with the Club constitution the accounts are subjected to an independent examination by a suitable qualified person. The Director of Finance is responsible for co-ordinating the year end timetable working with the Independent Examiner.

The current Independent Examiner is Grant Barclay of Barclay & Co.

To facilitate the review the Independent Examiner has access to the Club's accounting system.

The following financial statements are prepared annually:

- Balance Sheet
- Income Statement
- Cash Flow statement (for use by the Board only)

The Club prepares its financial statements on an accrual basis under UKGAAP (general accepted accounting practice). As part of the independent review process the Director of Finance will discuss any significant transactions and accounting policy decisions with the Independent Examiner.

Accounting Records

The Club uses Xero, a cloud based accounting software to maintain its accounting records and payroll. The system is backed up by the supplier daily. Access to the system is controlled by the Director of Finance with user access granted based on a needs based approach and restricted using role profiles within the system.

The accounting system is used for:

- monthly management accounts including budget variance
- annual accounts for presentation to the membership
- payroll recording including RTI filings
- preparation of the VAT return and submission

Staff Related Costs

Staff costs are the largest item in the Company budget. All employees of the Company, permanent or casual are to be recorded on the Payroll system. There are a number of legal requirements in this area with which the Company must comply.

- records required by HMRC of PAYE deducted from the wages and salaries of employees are maintained,
- statutory deductions are paid to HMRC as required and pension contributions paid across to the provider promptly,
- deadlines for year-end returns to HMRC are met including P35, P11D and P60 or the data required for real time information submissions to HMRC are complete and submitted on a timely basis,
- minimum wage legislation is adhered to.

Any changes to staff salaries, hour rates or any bonus payments are to be authorised by the Board then updated to the payroll system. In line with the pension reform legislation the Club offers eligible staff a Pension Scheme. The Board will agree the contribution percentage and confirm this with the impacted staff.

Staff or volunteer expenses should be submitted on an expenses claim form and approved by the relevant Director. Normally, staff expenses will be reimbursed via bank transfer payment as part of the payroll run, while volunteers will be reimbursed directly by bank transfer.

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